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FM AMEMBASSY BUENOS AIRES  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4794  
INFO RHMFISS/CDR USSOCOM MACDILL AFB FL//SCJ2//  
RULGPIA/USCOMSOLANT

UNCLAS BUENOS AIRES 001273

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STATE FOR INR/R/MR, I/GWHA, WHA, WHA/PDA, WHA/BSC,  
WHA/EPSC  
CDR USSOCOM FOR J-2 IAD/LAMA

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E.O. 12958: N/A  
TAGS: [KPAO](#) [OPRC](#) [KMDR](#) [PREL](#) [MEDIA](#) [REACTION](#)  
SUBJECT: MEDIA REACTION OUTCOME OF PERUVIAN ELECTIONS  
US-URUGUAYAN AND US-PARAGUAYAN FTAS 2006 TRAFFICKING  
IN PERSONS REPORT VENEZUELA'S ENTRY INTO MERCOSUR  
06/06/06

#### 1. SUMMARY STATEMENT

Today's most important international stories include the implications of the Peruvian elections; the possibility of US-Uruguayan and US-Paraguayan FTAs; the US 2006 trafficking in Persons Report; and Venezuela's alleged entry into Mercosur.

#### 2. OPINION PIECES AND KEY STORIES

- "The US is relieved by Chavez's 'defeat'"

Hugo Alconada Mon, Washington-based correspondent for daily-of-record "La Nacion," comments (06/06) "The US sighed in relief with and was sort of amazed at the victory of Alan Garcia, who defeated Ollanta Humala in Peruvian elections. Humala was the candidate that most concerned the Bush administration and the one who was closest to Hugo Chavez.

"According to US Deputy Secretary of State Robert Zoellick, Garcia 'is the best response' of the Peruvian people to Chavez's interference...

"However, Garcia is far from being the favorite candidate for the USG. Lourdes Flores was the best option based on her capitalistic and business-like profile, but she was unable to reach the second round."

- "The lesser of two evils"

James Scout, contributor to liberal, English-language "Buenos Aires Herald," writes (06/06) "... For all his past flaws..., Garcia is at least predictable when compared to his wildcard rival Humala, a populist who made campaign threats of increasing state control over the mining and gas industries and abandoning free-market policies.

"But the race has implications beyond the rugged borders of Peru. To investors and the international community, this election was widely viewed as a litmus test as to whether Venezuelan President's populist and anti-US policies would gain another foothold in the continent.

"'It shows the limits of Chavez's influence,' Vinay Jawahar, with the Inter-American Dialogue, told the 'Herald.' 'A lot of people had to hold their noses,

swallow hard and vote.'

"... Experts point out that while Chavez is playing off many Latin American nations' frustration with historical US dominance in the region, he is only offering Venezuelan dominance and bullying in return.

"The Peruvian elections, experts say, is an example of how strong-minded countries, like Peru, won't be swayed by the promise of cheap oil and a bourgeois neighbor who likes to flaunt his wealth."

- "The limits of a policy"

Oscar Raul Cardoso, international analyst of leading "Clarín," writes (06/06) "Exporting a view is not easy in Latin America, much less a determined historic direction... This is something not even Fidel Castro managed to do in his best days when he won his revolution in Cuba more than half a century ago.

"Just a few tried, like him, to turn a national project into a hemispheric trend..., although he did not manage to do it...

"... Now it is Venezuelan Hugo Chavez who has just received the same lesson of humility about the limits of potential regional leadership through the defeat of presidential candidate Humala in the runoff of Peruvian presidential elections.

"... Chavez will have to review his hostility toward Garcia and acknowledge that 'Latin American unity' is rhetoric rather than real, regardless of how much one wants it, and that any project can only be as big as

its own limits."

- "The (Argentine) Government dismisses FTAs reached between the US and Uruguay and Paraguay"

Alejandro Bercovich, columnist of business-financial "El Cronista," writes (06/06) "According to Eduardo Sigal, Argentine Under Secretary for Integration at the Foreign Ministry, Uruguay and Paraguay will not break off from Mercosur to sign FTAs with the US because the US will never lower its farm subsidies...

"According to Sigal, Mercosur is not in jeopardy from the threats that have recently been launched by 'minor partners,' which come from opposition sectors that have no ties with foreign policy authorities.

"... Sigal also downplayed the recent Uruguayan flirtation with the White House... 'I am under the impression that the Uruguayan government has not made any progress on an FTA (with the US) because it knows that (US) farm subsidies on meat and dairy products will not be removed. If this could be done, we would also sign such a deal, because we do not have an anti-US problem.'"

- "The US places Argentina on a watch list on trafficking in persons"

Ana Baron, Washington-based correspondent for leading "Clarín," comments (06/06) "The US believes that Argentina does not fully comply with the minimum standards for the elimination of trafficking and that it has not made enough progress in this area in the previous year. This is why, the country has been placed on a watch list.

"In this report, the Bush administration advised the Kirchner administration that it should work with Congress to achieve passage of anti-trafficking

legislation, increase efforts to prosecute traffickers, expand training for court and law enforcement officials, and work with NGOs to heighten public awareness of the problem.

"According to the US Department of State's latest report on the subject, which was made public yesterday, Argentina is primarily a destination country for women and children trafficked for the purposes of sexual and labor exploitation. 'Most victims are trafficked from rural to urban areas.'

"As per the report, Argentine women and girls are trafficked to neighboring countries for sexual exploitation. Foreign women and children are also trafficked for commercial sexual exploitation, primarily from Paraguay, Bolivia, Brazil, Dominican Republic, Colombia and Chile...

"While the US Department of State asserts that Argentina does not comply with the minimum standards for the elimination of trafficking in persons, it acknowledges that, at least, it is making significant efforts. In any event, US experts decided to place Argentina on a watch list for its failure to show evidence of increasing efforts to combat trafficking over the previous year, particularly in the key area of prosecutions.

"Even though the reports points out that 'The (Argentine) government's efforts to improve interagency anti-trafficking coordination did not achieve significant progress in moving cases against traffickers through the judicial system,' it acknowledges that there was progress in other areas, by submitting anti-trafficking legislation to Congress in August 2005, it heightened the awareness of provincial and local authorities.

"... In parallel, the US believes that the Argentine government made modest efforts to assist victims during the reporting period. While authorities offered a variety of services including medical and psychological treatment, legal counseling and even repatriation, the Government did not operate victim's

shelters.

"According to the US, the area in which the Government has made most progress is prevention. What Washington praises most is that the government submitted anti-trafficking legislation to Congress, which defines trafficking of persons according to international standards, or to prevent, suppress, condemn, and punish trafficking persons, especially women and children."

- "Venezuela will officially enter Mercosur in Cordoba"

Gabriel Buttazzoni, columnist of business-financial, center-right "InfoBae," writes (06/06) "Venezuela will officially enter Mercosur during the Mercosur presidential encounter to be held in Cordoba on July 20..."

"... Formally speaking, Venezuela will act as a full member when the Congresses of Mercosur's five country members approve it, which is expected to be a complex procedure.

"In this regard, Sigal focused his concern on the speed with which legislators from Mercosur's minor partners, Uruguay and Paraguay, will approve Venezuela's entry into Mercosur."

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